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NPIC/TDS/D-770-67

24 March 1967

MEMORANDUM FOR: Director, National Photographic Interpretation Center

THROUGH : Chief, Support Staff

SUBJECT : Request for Overrun of [] from FY 1965

REFERENCE : Chief, Administrative Staff, O/DSI Memorandum dated
4 February 1964: Approval of Research and Development
Activities

25X1A 1. In 1965 NPIC contracted with []
[] for the design and
fabrication of two Multi-format Data Block Readers (MFDR) - one for NPIC
and one for GIMRADA - under joint procurement. This is a Cost-Plus-Incen-
25X1A tive Fee Contract in the amount of [] Three engineering changes
have been approved and funded as the result of additional formats being in-
25X1A troduced and additional testing requirements being levied on the contractor.
The current funding is [] all of which has been jointly funded
with GIMRADA.

25X1A 2. In a letter from the contractor, dated 16 March 1967, an overrun
payment of [] was requested to complete the two instruments. This,
in effect, raises the Contract Price to the Ceiling Price of []
25X1A The reasons furnished by the contractor for the additional funding were
approved increases in Engineering and Factory Overhead rates and G&A for
the past two years, and a large unanticipated amount of vendor liaison,
expediting, and in-house rework of vendor parts. The Technical Develop-
ment Staff recommends that payment of this overrun be made. Coordination
has been made with GIMRADA, who is taking the necessary action to OA their
portion of the funding to NPIC.

3. In accordance with the authority delegated in paragraph 3 of the
reference, it is requested that the overrun of [] (NPIC share) for
25X1A the MFDR be approved and charged against FY 1965 funds. The Budget and

DECLASS REVIEW by NIMA/DOD

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SUBJECT: Request for Overrun of [] from FY 1965

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Financial Branch has affirmed that sufficient FY 1965 funds are available to make this payment.

[]
Colonel, USAF
Assistant for Technical Development, NPIC

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APPROVED:

ARTHUR C. LUNDANL

Date

Director

National Photographic Interpretation Center

Attachment:

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NPIC/TDS/DS: [] (24 Mar. 67)

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